

FCIC COTTON HANDBOOK FOR THE AGENT  
1947

This Handbook is designed for you as an agent in selling cotton crop insurance for the 1947 and succeeding crop years. It is intended to help you in two ways. First, some of the main provisions of the cotton crop insurance program are outlined briefly for your convenience. However, you should study the regulations so that you may give complete and correct information about the insurance being sold. Second, typical examples are included for your guidance in the preparation and execution of both the application and the Agent's Sales Report.

SECTION I. YOUR DUTIES AND RESPONSIBILITIES AS A CROP INSURANCE AGENT

You have been selected as an agent to sell cotton crop insurance to cotton producers in your area or county. If you are assigned a definite area, it is your duty as a crop insurance agent to contact personally all cotton producers in this area. If a definite area is not assigned, you should contact personally as many cotton producers as possible throughout the county. As you know, personal contact is the best method of selling. As a rule, prospects for insurance do not seek the agent; it is the agent's job to seek the prospective customer.

The success of the sales campaign and the crop insurance program as a whole depends upon your approach to the producer and the explanation you give concerning the program. It is your responsibility to properly and sufficiently explain the program so that no misunderstanding concerning any part of the contract, or the amount of protection will arise. Any erroneous information or failure to give important information will lead to dissatisfaction with the crop insurance program.

In order to help you explain the 1947 program to prospective applicants there is attached to this handbook a sheet entitled "Information Sheet on 1947 Cotton Crop Insurance." This sheet briefly outlines the protection offered under the 1947



cotton program. Each cotton producer in your area or county has been furnished a copy of this sheet. It is suggested that you thoroughly study the information contained therein and discuss it with the prospective applicant so that he will have a thorough knowledge of the insurance protection offered.

You should be certain that all applications secured by you are complete and correct and are forwarded daily to the office of the county association, together with the Agent's Sales Report and any checks, postal notes, or money orders representing premium payments collected. You should also make certain that the typed or printed name on the application agrees with the signature of the applicant. All signatures shall be affixed in accordance with the instructions contained in the revised ACP-16 "Instructions on Signatures and Authorizations." Special attention should be given in those cases where a person signs an application in a representative capacity.

## SECTION II. PRINCIPAL CHANGES IN THE 1947 PROGRAM FROM THE 1946 PROGRAM

There are listed below briefly the principal changes in the 1947 program from the 1946 program. However, it is suggested that the agent thoroughly study the 1947 regulations and any other available material concerning the 1947 program.

1. The new program provides for three levels of coverage, which are designated as levels A, B, and C, instead of having insurance on 50% or 75% of the average yield for the farm.
2. There are four progressive stages of production (as outlined in the "Information Sheet for the 1947 Program.")
3. Each farm in the county will be placed in a coverage group based on the average yield of the farm.
4. The twenty-five percent of the loss determined for any acreage not released by the Corporation which was deducted in 1946 is not applicable in 1947.
5. The reduced premium plans offered in 1945 and 1946 will not be offered for 1947.



6. The grade and staple length of cotton to be used as the basis for the payment of premiums and indemnities is determined by the Corporation for each county or area.
7. The partial insurance protection plan offered in 1946 is not applicable for 1947.
8. There are two options for the payment of indemnities which are available to the insured. One is the issuance of a certificate of indemnity as in 1946. The other is by the issuance of a check.
9. Closing dates for filing applications have been advanced 10 days in most areas for 1947. This advance is more than 10 days in areas where prospects of producing a crop can be determined fairly definitely before the normal planting time.

### SECTION III. PRINCIPAL PROVISIONS OF THE 1947 COTTON CROP INSURANCE PROGRAM

#### A. The Application and the Contract

1. As in 1946, the 1947 program provides for a contract which will continue in force each year thereafter unless terminated by the Corporation or by the insured. Notice of termination of the contract by the insured for the 1948 crop year must be given in writing to the office of the county association on or before the applicable closing date for filing applications for the 1948 crop year. The contract may be similarly terminated for 1949 and succeeding years.
2. The application may be filed by a landlord, owner-operator, tenant, or share-cropper to cover his interest in a cotton crop. It covers all the cotton planted on all insurable farms considered for crop insurance purposes to be located in the county. The application will not cover any farm or part thereof which is designated as "non-insurable" on the listing sheet. The application will not cover any farm not considered for crop insurance purposes to be located in the county.



3. A separate application must be submitted by each person who desires insurance on some farms in a personal capacity and on other farms in a fiduciary or representative capacity. For example, a person who desires insurance on his own farm and also on another farm which he is operating as administrator of an estate, must submit separate applications. Also separate applications must be submitted by each person who desires insurance on some farms in an individual capacity and on other farms in a partnership capacity.
4. Applications for insurance must be submitted to the agent or to the office of the county association on or before the closing date for filing applications in the county, or before the insured plants any cotton, whichever is earlier.
5. The agent cannot change or waive any of the terms or conditions of the contract. He should be very careful in quoting the coverages and premium rates to prospective applicants. The official coverages and premium rates for each insurance unit are on file in the county office, and are the basis of the contract of the Corporation.
6. After an application is accepted by the State Crop Insurance Director the insured's copy of the application and a copy of the regulations will be mailed to the insured. These constitute the insurance contract.
7. The agent should explain to the applicant that his accepted application may be used as collateral for a loan or other obligation by executing a Form FCI-20, "Collateral Assignment." The assignment may be filed in the office of the county association at the time the application is filed or any time thereafter as long as the original insured retains an interest in the insured crop. Only one collateral assignment will be recognized at any one time in connection with an insurance contract.

B. When Insurance Begins and Ends - What it Covers

1. Insurance begins when the cotton is planted.



2. Generally insurance ends upon weighing in at the gin, or disposal of the.

harvested crop before weighing in at the gin. However, in no event shall the insurance remain in effect later than March 31 of each year in Arizona, California and New Mexico or January 31 of each year in all other states, unless such dates are extended in writing by the Corporation.

3. The insurance covers loss in yield due to practically all unavoidable causes, including drought, flood, hail, wind, frost, winter-kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant diseases, and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. If any of these causes of loss are not covered the Agent should so explain to the producer.

4. The insurance does not cover losses due to neglect, theft, use of defective seed, failure properly to plant, care for, or harvest the crop, etc.

#### C. Minimum Participation Requirement

The Corporation cannot accept applications for insurance in a county until the minimum participation required by law for the county is obtained. The minimum participation requirement for each county is established by the Corporation and the county office is so notified. If this requirement is not met, all the applications submitted will have to be rejected by the Corporation.

#### D. Premiums

1. The premium rates are established to cover losses and cannot be used for administrative purposes. The cost of administering the program is paid by the Federal Government.

2. By signing the application for crop insurance, the applicant executes a note for payment of the premium. The maturity date of the premium note is set forth in the Regulations but a premium may be paid at any prior time. A co-signer is required each year unless the applicant is considered a good credit risk.



3. Promptly after planting, the insured must submit on a form provided by the county committee a report of the cotton acreage planted on each farm in which he has an interest in the county. The annual premium will be computed in pounds on the basis of this acreage report, or on the basis of the acreage determined by the Corporation if the Corporation so elects. The premium pounds will be converted to dollars based on the cash equivalent price in effect on the date of payment or the maturity date of the note whichever occurs first.
4. Payment of the premium on an estimated basis at the time the application is signed should not be discouraged and may be accepted by the agent. However, payment to the agent must not be in cash but may be by check, postal note, money order, or bank draft, payable to the order of the Treasurer of the United States. Cash payments may be made at the office of the county association. Premium payments accepted by the agent shall be delivered to the county office which will send a Form FCI-13, "Receipt," to the applicant for each collection made by the agent.
5. Unless the premium is paid in full before the maturity date, the insured will be notified of the amount of the cash premium due.
6. If cottonseed production is insured, the premium for lint cotton insurance will be increased by 20 percent, to provide the premium for insurance on cottonseed.
7. The annual premium bears no interest before maturity. Interest at the rate of one-half of one percent per month or portion thereof, beginning at maturity, will be charged on any portion of the premium which is not paid within two calendar months after maturity.
8. The minimum annual premium for a 1947 cotton insurance contract is 15 pounds.



E. Damage to or Loss of Crop Before it is Too Late to Replant

If it becomes evident that a stand of cotton on any acreage will not be obtained without replanting and it is practicable to replant, or if any acreage of cotton is destroyed or substantially destroyed and it is practicable to replant, such acreage will not be insured unless it is replanted to cotton. In such a case losses will not be paid and premiums will not be collected on such acreage.

F. Damage to or Loss of Crop After it is Too Late to Replant

1. If the cotton crop on any acreage is destroyed after it is too late to replant the acreage to cotton and the insured desires to make other use of such acreage, he should promptly notify the county committee and request an inspection and a release of the acreage. An adjuster will make the inspection for the Corporation and any such acreage must not be put to another use unless it is released by the adjuster.
2. If the cotton crop on any acreage is damaged to the extent that a loss under the contract is probable, the insured should promptly notify the county committee in writing.
3. The amount of indemnity for insurance on lint cotton for any insurance unit will be the amount of insurance for the insurance unit minus the insured interest in the total actual and appraised production therefrom.  
If cottonseed production is insured, the amount of indemnity for loss of lint cotton will be increased by 20 percent to cover the loss of cottonseed.
4. Indemnities will be paid by the issuance of a certificate of indemnity or by cash whichever the insured may elect. When paid by the issuance of a certificate the insured may return this certificate of indemnity to the Corporation and obtain a cash settlement on the basis of the price in effect on the date the certificate of indemnity is received in the branch office. However, if



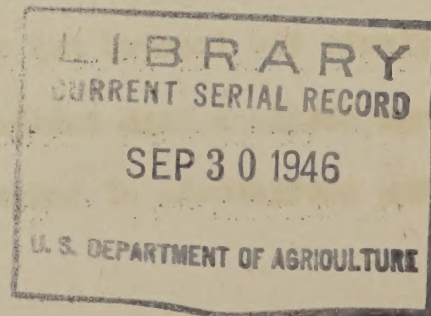
it is held until the expiration date shown thereon a cash settlement will be made by the Corporation on the basis of the price of cotton on the expiration date. The certificate may also be used to obtain a loan from the Commodity Credit Corporation if loans on certificates of indemnity are available.

#### G. Transfer of Interest

1. If all or any part of the insured cotton crop is transferred to another person, the transferor should notify the county committee promptly in writing.
2. In case of a transfer before beginning of harvest, the indemnity, if any, will be payable to the person or persons having the insured interest in the crop at the time of loss, but is subject to a deduction for the premium applicable to the acreage transferred. Any outstanding collateral assignment made by the original insured will be paid before the transferee receives any payment.
3. The original insured will be responsible for the payment of the entire premium.

#### H. Hail Insurance

The amount of indemnity under a Federal Crop Insurance Contract will not be reduced because the insured farmer also carries hail insurance on his cotton crop. Hail insurance and Federal Crop Insurance are not competitive. In the first place, hail is a single risk while Federal Crop Insurance covers essentially all unavoidable risks. In the second place, hail insurance indemnities are based on the percentage of damage to the crop whereas under Federal Crop Insurance an indemnity is paid if the crop remaining for harvest plus any appraised production is less than the guaranteed coverage. Premium costs are not comparable because the protection offered is entirely different.





TENTATIVE  
October 11, 1946

FCI COTTON HANDBOOK FOR THE AGENT  
1947

This handbook is designed to assist you as an agent in selling cotton crop insurance for the 1947 and succeeding crop years. In order to successfully sell insurance, a thorough working knowledge of the program as it affects the individual producer is essential. Toward this end it is intended that this handbook shall accomplish four main objectives; First, it sets forth your duties and responsibilities to the cotton producers as well as to the Corporation. Second, it enumerates briefly the principal changes in the 1947 program, which should aid in discussing the new program with producers who are familiar with the 1946 program. Third, it provides you with an outline of the provisions of the new program with emphasis placed on their interpretation from the producers standpoint. Fourth, it furnishes typical examples for your guidance in explaining the program and in the preparation of the forms connected with the job of selling crop insurance.

It should be remembered that this handbook is not a substitute for the official regulations, which contain the provisions of the 1947 cotton crop insurance contract. Therefore, it is essential that you thoroughly familiarize yourself with these regulations before attempting to discuss the program with a prospective buyer.

SECTION I. YOUR DUTIES AND RESPONSIBILITIES AS A CROP INSURANCE AGENT

You have been selected as an agent to sell crop insurance to cotton producers in your area or county. If you are assigned a definite area, it is your duty as a crop insurance agent to contact personally all cotton producers in this area. If a definite area is not assigned, you should contact personally as many cotton producers as possible throughout the county. Personal contact is the best method of selling. As a rule, prospects for insurance do not seek the agent; it is the agent's job to seek the customer.

Your success as an agent depends upon your approach to the producer and the explanation you give concerning the program. It is your responsibility to properly explain the program so that no misunderstanding concerning any part of the contract, or the amount of protection will arise. Any erroneous information or failure to give important information will lead to dissatisfaction with the crop insurance program. You cannot change or waive any of the terms or conditions of the contract. In order to help you explain the 1947 program to prospective applicants you should have in your possession a pamphlet entitled "Explanation of the 1947 Cotton Crop Insurance," which is an outline of the main provisions contained in Section III of this handbook.

You should be certain that all applications secured by you are complete and correct and are forwarded daily to the office of the county association, together with the Agent's Sales Report and any checks, postal notes, or money order representing premium payments collected. You should be especially certain that the typed or printed name on the application agrees with the signature of the applicant. All signatures shall be affixed in accordance with the instructions contained in the revised ACP-16, "Instructions on Signatures and Authorizations." Special attention should be given in those cases where a person signs an application in a representative capacity.



## SECTION II. PRINCIPAL CHANGES IN THE 1947 PROGRAM FROM THE 1946 PROGRAM

There are listed below briefly the principal changes in the 1947 program from the 1946 program. These 1947 program provisions are explained in more detail in Sections III & IV of this handbook.

1. The new program provides for three levels of insurance designated as levels A, B, and C, instead of insured percentages of 50% and 75%.
2. The amount of insurance on the insured crop increases progressively through four stages of production.
3. Each farm has been placed in a coverage group based on the productivity of the farm as determined by the county committee.
4. The twenty-five percent adjustment for savings in harvesting cost has been eliminated in 1947.
5. The reduced premium plans have been eliminated.
6. The grade and staple length of cotton to be used as the basis for the payment of premiums and indemnities has been determined for each county, thereby making it unnecessary to enter them on the application.
7. The partial insurance protection plan has been eliminated.
8. There are two options for the payment of indemnities which are available to the insured at the time he files a statement in proof of loss. One is the issuance of a Certificate of Indemnity representing a number of pounds of cotton as in 1946. The other is by the issuance of a check when the statement in proof of loss is approved.

## SECTION III. EXPLANATION OF THE 1947 COTTON CROP INSURANCE PROGRAM

The Federal Crop Insurance Corporation offers insurance covering losses in yield of lint cotton (and cottonseed production when so requested) due to unavoidable causes, including draught, flood, hail, wind, frost, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation and plant diseases. If any of these causes of loss have been excluded for any area in the county the agent should so explain to the producer. The contract does not cover losses resulting from avoidable causes such as neglect, poor farming practices, or failure to poison for insect where practicable.

### A. Amount of Insurance and Amount of Loss

The amount of insurance per acre depends upon (1) the level of insurance, (2) the coverage group for the farm, and (3) the stage of production reached by the cotton crop.

1. The applicant may choose the level of insurance: Level A offers a small amount of insurance at the lowest cost; Level B offers a moderate amount of insurance at a higher cost; and Level C offers the highest amount of insurance at the highest cost.



2. Farms with approximately the same productivity are placed in a "coverage group" and all farms in the group are offered the same amounts of insurance per acre, depending upon the level of insurance obtained.
3. The amount of insurance protection increases by stages as the crop grows because more costs have been incurred. There are four stages:

First stage - After it is too late to replant cotton but before the first cultivation.

Second stage - After first cultivation but before laying by.

Third stage - After laying by but before harvesting.

Fourth stage - After harvesting and to the end of the insurance period.

4. Example: Suppose that an applicant chooses Level B and his farm is in coverage group 17. The amount of insurance per acre for any acreage that is destroyed in the first stage would be 37 pounds, for any acreage destroyed in the second stage it would be 60 pounds, for any acreage destroyed in the third stage it would be 112 pounds and for any acreage harvested it would be 150 pounds.
5. The number of pounds of indemnity for insurance on lint cotton, for any insurance unit, will be the amount of insurance for the insurance unit minus the insured interest in the total actual and appraised production therefor.
6. The applicant may obtain insurance against loss of cottonseed. This will result in an increase of 20 percent in the premium for lint cotton insurance and in the amount of indemnity for loss of lint cotton, if any, computed for the farm.
7. The insurance covers all farms in the county in which the applicant has an interest in the crop at the time of planting. An application may be filed by a landlord, owner-operator, tenant, or sharecropper to cover his interest in a cotton crop. The application will not cover any farm or part thereof which is designated as "non-insurable" on the crop insurance listing sheet. The application will not cover any farm not considered for crop insurance purposes to be located in the county.
8. If the cotton crop is destroyed while there is still time to plant the cotton, the applicant is expected to replant. If this acreage is not replanted it will not be considered insured. In such cases, losses will not be paid and premiums will not be collected.
9. If the crop or any part thereof is destroyed or substantially destroyed, the acreage may be released by the Corporation for other use. If the cotton crop on any acreage is destroyed after it is too late to replant the acreage to cotton and the insured desires to make other use of this acreage, he should promptly notify the county committee and request an inspection and a release of the acreage. An adjuster will make the inspection for the Corporation and any such acreage must not be put to another use unless it is released by the adjuster.



10. The agent should explain to the applicant that he may assign his right to any indemnity, which may become payable to him under his contract, as collateral for a loan or other obligation by executing a Form FCI-20, "Collateral Assignment." The assignment may be filed in the office of the county association at the time the application is filed or at any time thereafter as long as the original insured retains an interest in the insured crop. Only one collateral assignment will be recognized at any one time for a given crop year in connection with an insurance contract, however, if an assignment is released, another assignment may be recognized.

#### B. Premiums

1. The premiums collected are used to pay losses only, since the cost of administering the program is paid by the Federal Government.
2. By signing the application for crop insurance, the applicant executes a note for payment of the premium. The maturity date of the premium note is set forth in the Regulations and is about harvest time, but the premium may be paid at any prior time. A co-signer is required each year unless the applicant is considered a good credit risk.
3. Promptly after planting, the insured must submit on a form provided by the county committee a report of the cotton acreage planted on each farm in the county on which he has a share in the cotton crop at the time of planting and his share therein. The annual premium will be computed in pounds on the basis of the insured interest in the crop, and the insured acreage.
4. Payment of the premium on an estimated basis at the time the application is signed may be accepted by the agent. However, payment to the agent must not be in cash but may be by check, postal note, money order, or bank draft, payable to the order of the Treasurer of the United States. Cash payments may be made at the office of the county association. Premium payments accepted by the agent shall be delivered to the county office which will send a Form FCI-13, "Receipt," to the applicant for each collection made by the agent.
5. Soon after the maturity date, the insured will be notified of the amount of the cash premium due.
6. The annual premium bears no interest before maturity. Interest at the rate of one-half of one percent per month or portion thereof, beginning at maturity, will be charged on any portion of the premium which is not paid within two calendar months after maturity.
7. The minimum annual premium for a 1947 cotton insurance contract is 15 pounds.

#### C. What is Required of a Producer

1. File an application with the agent or in the office of the county association on or before the closing date. The closing date is the applicable closing date for the county set forth in the Regulations or the time when the applicant begins to plant cotton, whichever is earlier.



2. Make a report when so requested of the planted cotton acreage and his share in the cotton crop at the time of planting.
3. The contract provides that the insured must plant, care for and harvest the crop in accordance with good farming practices.
4. If all or any part of the insured cotton crop is transferred to another person the transferor should so notify the county committee promptly in writing.
5. The insured must report immediately to the county office any material damage to the crop from causes insured against which may result in a loss under the contract. Insured acreage may not be put to another use until a release in writing is given by the adjuster or other Corporation representative.

#### SECTION IV. GENERAL PROVISIONS OF THE 1947 COTTON CROP INSURANCE PROGRAM

##### A. The Contract

1. Separate applications must be submitted by a person who desires insurance on some farm in a personal capacity and on other farms in a fiduciary or representative capacity. For example, a person who desires insurance on his own farm and also on another farm which he is operating as administrator of an estate, must submit separate applications. Also separate applications must be submitted by each person who desires insurance on some farms in an individual capacity and on other farms in a partnership capacity.
2. After an application is accepted by the State Crop Insurance Director the insured's copy of the application and a copy of the Regulations will be mailed to the insured. These constitute the insurance contract.
3. The 1947 contract will continue in force each year thereafter unless terminated by the Corporation or by the insured. Notice of termination of the contract by the insured for the 1948 crop year must be given in writing to the office of the county association on or before the applicable calendar closing date in the county for filing applications for the 1948 crop year. If for two successive years no cotton in which the insured has an insurable interest is planted in the county the contract shall terminate.

##### B. When Insurance Begins and Ends

1. Insurance begins when the cotton is planted.
2. Insurance ends upon weighing in at the gin, or disposal of the harvested crop before weighing in at the gin, except that in no event shall the insurance remain in effect later than March 31, of each year in Arizona, California, and New Mexico, or January 31 of each year in all other states, unless such dates are extended in writing by the Corporation.

##### C. Payment of Indemnities

1. Indemnities will be paid by the issuance of a Certificate of Indemnity



or by check whenever the insured may elect. When paid by the issuance of a certificate, the insured may return this Certificate of Indemnity to the Corporation and obtain a check whichever he chooses. However, if it is held until the expiration date shown thereon, a check will be issued by the Corporation. The certificate also may be used to obtain a loan from the Commodity Credit Corporation if loans on Certificates of Indemnity are available.

D. Transfer of Interest

1. In case of a transfer before beginning of harvest, the indemnity, if any, will be payable to the person or persons having the insured interest in the crop at the time of loss, but is subject to a deduction for the premium applicable to the acreage transferred. Any outstanding collateral assignment made by the original insured will be paid before the transferee receives any payment.
2. The original insured will be liable for the payment of the entire premium.

E. Minimum Participation Requirement

1. A minimum participation requirement is provided by law and is established by the Corporation for each county. If this requirement is not met, all the applications submitted will have to be rejected by the Corporation. However, if the minimum participation requirement is not met in 1947 in any county where a cotton crop insurance was in force in 1946, only the 1946 contracts which are replaced by, or automatically transferred to, a 1947 contract will be in force for the 1947 crop year.

F. Hail Insurance

1. The amount of indemnity under a Federal Crop Insurance Contract will not be reduced because the insured farmer also carries hail insurance on his cotton crop. Hail insurance and Federal Crop Insurance are not competitive. In the first place, hail is a single risk while Federal Crop Insurance covers essentially all unavoidable risks. In the second place, hail insurance indemnities are based on the percentage of damage to the crop whereas under Federal Crop Insurance an indemnity is paid if the crop remaining for harvest plus any appraised production is less than the guaranteed coverage. Premium costs are not comparable because the protection offered is entirely different.

G. Grade and Staple of Cotton

1. The single grade and staple established for a county is based on actual samples collected by the Department of Agriculture during the years 1942 through 1945. They represent the grades and staple lengths most commonly produced in the county.



# PREPARATION AND EXECUTION OF THE APPLICATION

The following is a typical example of how the application should be prepared and executed before it is forwarded by the agent to the office of the county association. Care must be exercised by the agent to see that all signatures are properly affixed on the applications, particularly those of persons acting in a fiduciary or representative capacity.

Form FCI-712-C

## UNITED STATES DEPARTMENT OF AGRICULTURE PRODUCTION AND MARKETING ADMINISTRATION Federal Crop Insurance Corporation

Name and Address of Applicant:

This name should agree with applicant's signature

Name: John Doe  
(Type or print)

Address: Rt. 2, Lubbock, Texas  
(Type or print)

Enter the correct mailing address

(State and county code and application number)

Lubbock Texas  
(County) (State)

### APPLICATION FOR COTTON CROP INSURANCE

(Pursuant to the Federal Crop Insurance Act, as amended)

A. The undersigned applicant hereby applies to the Federal Crop Insurance Corporation (herein called "the Corporation") for insurance to cover his interest as landlord, owner-operator, tenant, or sharecropper in American Upland cotton crops to be planted on all insurance units considered for crop insurance purposes to be located in the county designated above, in which the applicant has an interest at the time of planting. The insurance shall cover loss in yield of lint cotton (and cottonseed production, if insured) due to unavoidable causes, including drought, flood, hail, wind, frost, winter-kill, lightning, fire, excessive rain, snow, wildlife, hurricane, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board of Directors of the Corporation. It is understood and agreed that this application, when accepted by the Corporation, and the Cotton Crop Insurance Regulations issued by the Corporation, including any amendments thereto, shall constitute the insurance contract, and such contract shall be substituted for and take the place of any existing cotton crop insurance contract between the applicant and the Corporation as it relates to future crop years. If this application is accepted by the Corporation, the contract shall be in force and effect for the first crop year beginning after submission of the application and shall continue for each succeeding crop year thereafter until either party gives to the other party, on or before January 31 or the applicable calendar closing date for any year, whichever is later, written notice of termination effective at the beginning of the succeeding crop year. Failure to terminate the contract as herein provided shall constitute acceptance of changes, if any, in the premium rate(s), amount of insurance, insurance coverages or in the Cotton Crop Insurance Regulations. It is further understood and agreed that no terms or conditions of the contract shall be waived or changed except as authorized in writing by a duly authorized officer or representative of the Corporation.

B. For each crop year, the premium rate(s) per acre and the coverage group(s) for each insurance unit covered by the contract shall be those established by the Corporation as shown on the crop insurance listing sheet and shall be on file in the office of the county association.

C. Level of Insurance Applied For: B D. Cottonseed Production Insured: Yes  
(Enter A, B, or C) (Enter Yes or No)

Be sure to enter the level of insurance applied for

E. The grade and staple of cotton to be used for the payment of premiums and indemnities shall be determined by the Corporation for the county or area in which the farm is considered for crop insurance purposes to be located and shall be on file in the office of the County Association.



LIBRARY  
CURRENT SERIAL RECORD

OCT 18 1946

U. S. DEPARTMENT OF AGRICULTURE

Be sure to  
enter date  
of signature

Signature should  
be with ink or  
indelible pencil

Agent must sign as  
witness. A second  
witness is required  
by some states if  
applicant's signature  
is by mark

Unless the applicant  
is considered a good  
risk, the estimated  
amount of the premium  
shall be collected  
in advance or a sat-  
is factory co-signer  
must be obtained.  
The co-signer must  
be a responsible  
person such as land-  
lord, operator, fur-  
nishing merchant, etc.

F. The undersigned applicant further agrees to follow recognized good farming practices, and to properly prepare the land, plant and care for the cotton crop and to submit an acreage report promptly after planting is completed.

G. NOTE FOR PREMIUM.--Subject to all terms and conditions of this application, the undersigned applicant promises to pay to the order of the Corporation, each crop year during which the insurance contract is in effect, on or before the applicable maturity date specified in the Cotton Crop Insurance Regulations, the amount of the premium due from him under the contract for such year, either in cash or cotton, or both, with interest after maturity on any unpaid portion thereof at the rate of one-half of one percent for each calendar month or fraction thereof, except that no interest will be charged on any amount that is paid within two calendar months after maturity.

Any unpaid amount of this note (either before or after the maturity date) may be deducted from any indemnity payable under the contract, from the proceeds of any commodity loan to the insured, and from any payment made to the insured under the Soil Conservation and Domestic Allotment Act, as amended, or any other act of Congress or program administered by the United States Department of Agriculture.

The undersigned co-signer, if any, is a surety for the payment of the premium due in the first crop year of the contract and is in no other way a party to the contract.

December 14, 1946

(Date)

(Signature of applicant)

(Witness to applicant's signature)

Joe Brown - Rt. 2, Lubbock, Texas

(Co-signer of premium note - Name and address - Type or print)

(Signature of co-signer)

Dec. 14, 1946  
(Date)

H. RECOMMENDATION AND CERTIFICATION BY THE COUNTY COMMITTEE.--The undersigned member of the County Agricultural Conservation Committee, on behalf of such Committee, recommends acceptance of this application and certifies that, to the best of his knowledge and belief, the application has been submitted in accordance with the provisions of the Cotton Crop Insurance Regulations, and any amendments thereto, and that, if the signature of the applicant in Item G has been affixed by a person who signed as fiduciary or agent, such person had authority to act in such capacity.

194

(Date)

(Signature of county committeeman)

I. ACCEPTANCE BY THE FEDERAL CROP INSURANCE CORPORATION.--It is understood and agreed that upon acceptance of the application by a duly authorized representative of the Corporation, as evidenced by his approval below, the insurance contract shall be in effect, provided the application has been submitted in accordance with the provisions of the application and the Cotton Crop Insurance Regulations, including any amendments thereto.

THE FEDERAL CROP INSURANCE CORPORATION

By:

194

(Date)

(Authorized representative)

(Note: All checks, bank drafts, postal notes and money orders in payment of crop insurance premiums or indebtedness shall be made payable to the TREASURER OF THE UNITED STATES. Payment in cash shall be made only at the office of the county association.)